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UNCLAS SECTION 01 OF 03 STATE 029398

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E.O. 12958: N/A

TAGS: [KNNP](#) [IR](#) [PREL](#) [PARM](#)

SUBJECT: PRESENTATION OF FINCEN ADVISORY ON IRAN-RELATED  
BUSINESS TO UNSC IRAN SANCTIONS COMMITTEE

¶1. (U) This is an action request. Please see paragraph 3.

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SUMMARY  
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¶2. (U) In response to United Nations Security Council Resolution 1803 and the Financial Action Task Force's February 2008 statement on the deficiencies of Iran's anti-money laundering and combating terrorist financing (AML/CFT) regime, the U.S. Treasury Department Financial Crimes Enforcement Network (FinCEN) issued an advisory on March 20 to U.S. financial institutions on the risks to the international financial system arising from the these deficiencies. The advisory urges all financial institutions to take into account the risk arising from the deficiencies in Iran's AML/CFT regime, as well as all applicable U.S. and international sanctions programs, with regard to any possible transactions with Iranian financial institutions provided in the advisory.

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OBJECTIVES  
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¶3. (U) Washington requests that Mission present the FinCEN advisory contained in paragraph 4 to the UNSC Iran Sanctions Committee. The Mission may also draw on paragraph two in delivering the advisory. USUN is authorized to permit the Committee to share this document with other UN Members outside of the committee and to post to its own website.

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TEXT OF U.S ADVISORY  
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¶4. (U) The following Treasury Financial Crimes Enforcement Network (FinCEN) advisory was issued to U.S. financial institutions on March 20, it is also available at:  
[www.fincen.gov/fin-2008-a002.pdf](http://www.fincen.gov/fin-2008-a002.pdf).

The Financial Crimes Enforcement Network (FinCEN) is issuing this advisory to supplement information previously provided on serious deficiencies present in the anti-money laundering systems of the Islamic Republic of Iran. The Financial Action Task Force (FATF) stated in October 2007 that Iran's lack of a comprehensive anti-money laundering and combating the financing of terrorism (AML/CFT) regime represents a significant vulnerability in the international financial system. In response to the FATF statement, Iran passed its first AML law in February 2008. The FATF, however, reiterated its concern about continuing deficiencies in Iran's AML/CFT system in a statement on February 28, 2008. Further, on March 3, 2008, the United Nations Security Council passed Resolution 1803 (UNSCR 1803), calling on all states to exercise vigilance over activities of financial institutions in their territories with all banks domiciled in Iran and

their branches and subsidiaries abroad. The FATF statement, combined with the UN's specific call for vigilance, illustrates the increasing risk to the international financial system posed by the Iranian financial sector, including the Central Bank of Iran.

Iran's AML/CFT deficiencies are exacerbated by the Government of Iran's continued attempts to conduct prohibited proliferation related activity and terrorist financing. Through state-owned banks, the Government of Iran disguises its involvement in proliferation and terrorism activities through an array of deceptive practices specifically designed to evade detection. The Central Bank of Iran and Iranian commercial banks have requested that their names be removed from global transactions in order to make it more difficult for intermediary financial institutions to determine the true parties in the transaction. They have also continued to provide financial services to Iranian entities designated by the UN Security Council in its Resolutions 1737 and 1747. The U.S. Department of the Treasury is particularly concerned that the Central Bank of Iran may be facilitating transactions for sanctioned Iranian banks.

UNSCR 1803 calls on member states to exercise vigilance over the activities of financial institutions in their territories with all banks domiciled in Iran, and their branches and subsidiaries abroad. While Bank Melli and Bank Saderat were specifically noted, the United States urges all financial institutions to take into account the risk arising from the

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deficiencies in Iran's AML/CFT regime, as well as all applicable U.S. and international sanctions programs, with regard to any possible transactions with the following Iranian institutions:

AGRICULTURAL BANK (a.k.a. BANK KESHAVARZI)  
Tehran, Iran  
AGRICULTURAL COOPERATIVE BANK OF IRAN (a.k.a. BANK TAAVON  
KESHAVARZI IRAN)  
Tehran, Iran  
AGRICULTURAL DEVELOPMENT BANK OF IRAN (a.k.a. BANK JOSIAIYI  
KESHAVARZI)  
Tehran, Iran  
ARIAN BANK (a.k.a. ARYAN BANK)  
Kabul, Afghanistan  
BANCO INTERNACIONAL DE DESARROLLO SA  
Caracas, Venezuela  
BANK KARGOSHAEE  
Tehran, Iran  
BANK MASKAN (a.k.a. HOUSING BANK (of Iran))  
Tehran, Iran  
BANK MELLAT  
Tehran, Iran  
BANK MELLAT  
Seoul, South Korea  
BANK MELLAT  
Ankara, Istanbul, Izmir, Turkey  
BANK MELLI IRAN  
Tehran, Iran  
BANK MELLI IRAN  
Paris, France  
BANK MELLI IRAN  
Hamburg, Germany  
BANK MELLI IRAN  
Central, Hong Kong  
BANK MELLI IRAN  
Baghdad, Iraq  
BANK MELLI IRAN  
Muscat, Oman  
BANK MELLI IRAN  
Al Ain, Deira, Dubai City, Fujairah, Ras al-Khaimah, and  
Sharjah, United Arab Emirates  
BANK MELLI IRAN ZAO  
Moscow, Russia  
BANK OF INDUSTRY AND MINE (of Iran) (a.k.a. BANK SANAD VA

MADAN)  
Tehran, Iran  
BANK REFAH (f.k.a. WORKERS WELFARE BANK, f.k.a. BANK REFAH  
KARGARAN)  
Tehran, Iran  
BANK SADERAT IRAN  
Tehran, Iran  
BANK SADERAT  
Paris, France  
BANK SADERAT  
Frankfurt, Hamburg, Germany  
BANK SADERAT  
Athens, Greece  
BANK SADERAT  
Baalbak, Beirut, Saida, Lebanon  
BANK SADERAT  
Muscat, Oman  
BANK SADERAT  
Doha, Qatar  
BANK SADERAT  
Ashgabat, Turkmenistan  
BANK SADERAT  
Abu Dhabi, Ajman, Al Ain, Dubai City, Sharjah, United Arab  
Emirates  
BANK SADERAT PLC  
London, United Kingdom  
BANK SADERAT TASHKENT  
Tashkent, Uzbekistan  
BANK SEPAH  
Tehran, Iran  
BANK SEPAH  
Paris, France  
BANK SEPAH  
Frankfurt, Germany  
BANK SEPAH  
Rome, Italy  
BANK SEPAH INTERNATIONAL PLC  
London, United Kingdom  
BANK TEJARAT  
Tehran, Iran  
BANK TEJARAT  
Paris, France  
BANK TEJARAT  
Dushanbe, Tajikistan  
THE CENTRAL BANK OF IRAN (a.k.a. BANK MARKAZI JOMHOURI ISLAMI  
IRAN)  
Tehran, Iran

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EUROPAEISCH-IRANISCHE HANDELSBANK AG (f.k.a.  
DEUTSCH-IRANISCHE HANDELSBANK AG)  
Hamburg, Germany  
EUROPAEISCH-IRANISCHE HANDELSBANK AG (f.k.a.  
DEUTSCH-IRANISCHE HANDELSBANK AG)  
Tehran, Iran  
EXPORT DEVELOPMENT BANK OF IRAN (a.k.a. BANK TOWSEH SADERAT  
IRAN)  
Tehran, Iran  
FUTURE BANK B.S.C.  
Manama, Bahrain  
IRAN OVERSEAS INVESTMENT BANK PLC (a.k.a. IRAN OVERSEAS  
INVESTMENT CORPORATION LIMITED)  
London, United Kingdom  
KARGOZARI BANK TEJARAT  
Tehran, Iran  
MELLAT BANK DB AOZT (a.k.a. MELLAT BANK S/B CJSC)  
Yerevan, Armenia  
MELLAT BANK S/B CJSC (a.k.a. MELLAT BANK DB AOZT)  
Yerevan, Armenia  
MELLI BANK PLC.  
London, United Kingdom  
PERSIA INTERNATIONAL BANK PLC.  
London, United Kingdom  
PERSIA INTERNATIONAL BANK PLC.  
Dubai City, United Arab Emirates

Privately Owned Iranian Financial Institutions

BANK PASARGAD

Tehran, Iran

EN BANK PJSC (a.k.a. EGHTEHAD-E-NOVIN BANK)

Tehran, Iran

KARAFARIN BANK

Tehran, Iran

PARSIAN BANK

Tehran, Iran

POST BANK OF IRAN

Tehran, Iran

SAMAN BANK CORPORATION

Tehran, Iran

BANK SARMAYE

Tehran, Iran

Financial institutions also are reminded of the existing U.S. sanctions that are administered by the Department of the Treasury's Office of Foreign Assets Control (OFAC) with respect to Iran and the Government of Iran, including but not limited to Iranian Government-owned banks, as well as other sanctions imposed on Iranian entities that have been linked to terrorist activity and the proliferation of weapons of mass destruction. Information about these sanctions is available on OFAC's website at <http://www.treasury.gov/offices/enforcement/ofac/>.

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REPORTING DEADLINE  
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15. (U) Mission should provided a readout within seven (7) business days of receipt of this cable. Please slug replies for ISN, IO, T, TREASURY, and NEA/IR. Please include SIPDIS in all replies.

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POINT OF CONTACT  
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16. (U) Washington point of contact for follow-up information is Kevin McGeehan, ISN/CPI, (202) 647-5408, McGeehanKJ@state.sgov.gov.

17. (U) Department thanks the Mission for its assistance.  
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